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SUBJECT: Vietnam-China Border Issues in Lang Son Province

Ref A) Hanoi 23; B) 08 Hanoi 90; C) 08 Hanoi 398

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11. (SBU) SUMMARY: Following the recent announcement of the completion of border demarcation between China and Vietnam (Ref A), the DCM visited the Chinese border province of Lang Son January 7 - 18. Provincial officials emphasized expanding trade relations with China while admitting a growing trade imbalance (two-thirds imports, one-third exports). The DCM discussed the growing problems of Avian Influenza from smuggled fowl from China and trafficking in persons while hearing from the police that drug trafficking in the province is on the wane. END SUMMARY.

Vietnam-China Border Trade in Lang Son

- 12. (SBU) In the DCM's meeting with Lang Son's People's Committee Chairman Vi Van Thanh, he explained that the province, with a 250 kilometer border with China, is largely dependent on agricultural exports to China and the rest of Vietnam. There are four border gates between China and Vietnam in the province, two of which process a significant amount of the trade between the two countries. The Friendship border gate processed approximately \$640 million worth of industrial goods in 2008 while the Tan Thanh border gate processed approximately \$360 million worth of primarily agricultural products, according to his estimates. The total volume of trade between the province and China is over \$1 billion, with China accounting for roughly two-thirds of the total amount and Vietnam only one-third. The province is in the planning stages of developing a free trade economic zone that will comprise 85 square kilometers on each side of the border with China. Thanh was hopeful that the zone's establishment would serve to boost cooperation and trade between the two countries.
- ¶3. (SBU) Customs officials noted that overall trade at the Tan Thanh border gate increased from only \$79 million in 2003 to \$360 million in 2008. 2008 was better than 2007, they said, but acknowledged that there had been less Tet-related trade than last year due to the global economic crisis. They explained that the Chinese authorities chose to divide the responsibilities between the two gates, authorizing the Friendship border gate to process industrial products and chemicals while determining that the Tan Thanh border gate would focus on agriculture. Border Defense/Immigration officials noted that the Tan Thanh border post only allows processing of trade and is not equipped to process tourists.
- 14. (SBU) During a brief visit to the Friendship border gate on January 8, it was evident that the bulk of trade flowed from China to Vietnam, as many large Vietnamese trucks sat empty waiting to enter China and many Chinese trucks were loaded with industrial products waiting to be cleared through Customs into Vietnam. Trade

at the Tan Thanh border gate seemed more balanced, as most Vietnamese exports into China are agricultural products, and several Vietnamese trucks filled with fruits and vegetables waited at the border for Customs to clear their entry into China. Customs officials at the Tan Thanh border gate explained that the volume of Chinese trucks was three to five times that of Vietnamese trucks, noting that they processed anywhere from 200-370 trucks a day through the border. They said that while their Customs office had not yet been upgraded to allow electronic processing of goods through the border, there was an electronic application on the Customs website to be completed in advance to streamline the processing of trucks.

Avian Influenza

15. (SBU) Meeting with former IVP Participant Dr. Duong Anh Dung, Chief of the Epidemiology Department at the Lang Son Provincial Preventative Medicine Center, the DCM discussed the province's leading role in fighting avian influenza. Dung noted that all poultry must be tested and found free of taint prior to being transported across the border. Officials from both Vietnam and China along the border meet regularly and highlighted the existence of a China-Vietnam Bird Flu Task Force. Dung asserted that area farmers would comply with requirements to destroy infected fowl due to the harsh punishments if they chose to ignore government edicts. When asked directly about the problem of corruption and poultry smuggling from China into Vietnam (Ref C), Dung reaffirmed his belief that the province was doing a good job as evidenced by the fact that there had been no reported cases of bird flu. (Note: was reported on January 13 that the province had experienced its first case in 2009 of chickens infected with the H5N1 virus imported from China. The reports also noted the rampant availability of counterfeit seals certifying that poultry is free of avian influenza. End Note.)

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Trafficking in Persons

- $\P6$. (SBU) In the DCM's meeting with the provincial head of the Women's Union and the Deputy Chief of Police for the province, who also heads the province's Committee 130 on Trafficking in Persons (TIP), provincial officials said the police investigated 25 separate TIP incidents, arresting 28 individuals and rescuing 72 female victims. Only one of the victims was from Lang Son province while the remaining victims were from the Central Highlands and other mountainous areas. TIP in the province is entirely one-way into China, the police affirmed, and was the result of a gender imbalance in China and uneducated Vietnamese women being tricked or forced into prostitution or marriage in China. They said that, while trafficking was on the rise, they had yet to see any cases of forced labor. The police also highlighted their excellent cooperation with Chinese border police.
- ¶7. (SBU) The province also boasts a technical school for trafficking victims run by the Women's Union and funded in part by IOM. However, the police explained that according to Vietnamese law female victims are returned immediately to family members and local authorities in their home province and therefore the shelter and school only assist victims from Lang Son province.

Drug Trafficking

18. (SBU) The police emphasized that drug trafficking across the border was on the decline over the past several years. While heroin continues to be the number one drug trafficked, they only seized six kilos in 2008. Most illegal drugs enter Vietnam via Laos and then travel from Vietnam into China. Drugs are more frequently trafficked through large border posts (like the Friendship border gate) due to the difficulty of traversing the mountains along the border. Methamphetamines are not a large problem, with only one case of seized meth totaling 100-200 tablets coming from China in the past year. The police also noted that chemical precursors were not a problem.